

MINUTES OF THE  
MARICOPA ASSOCIATION OF GOVERNMENTS  
TRANSPORTATION POLICY COMMITTEE MEETING

January 23, 2009  
MAG Office, Saguaro Room  
Phoenix, Arizona

MEMBERS ATTENDING

Mayor Steven Berman, Gilbert, Chair  
Mayor Marie Lopez Rogers, Avondale,  
Vice Chair  
Councilmember Ron Aames, Peoria  
Kent Andrews, Salt River Pima-Maricopa  
Indian Community  
Councilmember Maria Baier, Phoenix  
# Vice Mayor Gail Barney, Queen Creek  
Stephen Beard, SR Beard & Associates  
Dave Berry, Swift Transportation  
Mayor James Cavanaugh, Goodyear  
# Mayor Boyd Dunn, Chandler

Mayor Hugh Hallman, Tempe  
Eneas Kane, DMB Associates  
\* David Martin, Citizens Transportation  
Oversight Committee  
Mayor Jackie Meck, Buckeye  
\* David Scholl  
\* Mayor Elaine Scruggs, Glendale  
Mayor Scott Smith, Mesa  
# Mayor Lyn Truitt, Surprise  
\* Supervisor Max W. Wilson, Maricopa County  
\* Felipe Zubia, State Transportation Board

\* Not present  
# Participated by telephone conference call  
+ Participated by videoconference call

OTHERS ATTENDING

Mayor Jim Lane, Scottsdale, TPC nominee

1. Call to Order

The meeting of the Transportation Policy Committee (TPC) was called to order by Chair Steven Berman at 12:05 p.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

Chair Berman noted that Vice Mayor Gail Barney, Mayor Boyd Dunn, and Mayor Lyn Truitt were participating by teleconference.

Chair Berman introduced Scottsdale Mayor Jim Lane, whose appointment to the TPC was on the January 28th Regional Council agenda.

Chair Berman noted that transit tickets for those who used transit to attend the meeting and parking garage ticket validation were available from MAG staff.

### 3. Call to the Audience

Chair Berman stated that an opportunity is provided to the public to address the Transportation Policy Committee on items that are not on the agenda that are within the jurisdiction of MAG, or non action agenda items that are on the agenda for discussion or information only. Citizens will be requested not to exceed a three minute time period for their comments. An opportunity is provided to comment on agenda items posted for action at the time the item is heard.

Chair Berman recognized public comment from Woody Thomas, who encouraged the TPC to treat the West Valley with more interest and effort. He said that public meetings for the I-10 West High Capacity Transit Study and the framework study in Avondale were scheduled the same night and time. He requested that public input opportunities be spread out. Mr. Thomas stated that the High Capacity Transit Report, dated June 30, 2003, was the foundation for Proposition 400 to provide transit in the area. He said that the Executive Summary says that all identified bus rapid transit corridors were not studied further. These corridors possess operating characteristics different from commuter rail or dedicated bus rapid transit systems. They are compatible and work with other systems. Mr. Thomas stated that he rode the I-10 bus to work after parking in the 79th Avenue park and ride lot. He said that Buckeye has been able to purchase land for its system, Avondale has the 560 and the northwest Valley has the 573. Mr. Thomas stated that the GFO has confirmed that bus rapid transit is a more cost effective system to put in place. He said that right of way and the bus system are in place to capitalize on that if it becomes feasible to put in light rail. Mr. Thomas spoke about an article in Transit Line issued by HDR about transit oriented development. He said if light rail is put on I-10, development will not occur. Chair Berman thanked Mr. Thomas for his comments.

Chair Berman recognized public comment from Marvin Rochelle, who said that the region needs to have a Valleywide paratransit system. He said that he researched 18 paratransit systems in the United States, and every one has been a success. Mr. Rochelle stated that more persons with disabilities and blind persons live in Phoenix per capita than in any other city in the United States, mainly because it has flat terrain and good weather that keep people mobile. He stated that changes currently being discussed will be a catastrophe to people who will not be able to go to the doctor or shopping and will have to move to smaller communities where there are volunteers to help them. Mr. Rochelle implored the Committee to consider making paratransit a Valleywide system. Chair Berman thanked Mr. Rochelle for his comments.

4. Approval of Consent Agenda

Chair Berman stated that agenda items #4A and #4B were on the consent agenda. He stated that public comment is provided for consent items. He noted that no public comment cards had been received. Mr. Beard moved to recommend approval of the consent agenda items #4A and #4B. Councilmember Aames seconded, and the motion carried unanimously.

4A. Approval of the November 19, 2008, Meeting Minutes

The Transportation Policy Committee, by consent, approved the November 19, 2008, meeting minutes.

4B. Project Changes – Amendments, and Administrative Modifications to the FY 2008-2012 MAG Transportation Improvement Program, FY 2009 Arterial Life Cycle Program, and Material Cost Changes to the ADOT Program

The Transportation Policy Committee, by consent, recommended approval of amendments and administrative modifications to the FY 2008-2012 Transportation Improvement Program, the FY 2009 Arterial Life Cycle Program, as appropriate, to the Regional Transportation Plan 2007 Update, and material cost changes to the ADOT Program as shown in the attached tables. The FY 2008-2012 Transportation Improvement Program (TIP) was approved by the MAG Regional Council on July 25, 2007, and the FY 2009 Arterial Life Cycle Program (ALCP) was approved by the MAG Regional Council on June 25, 2008. Since that time, there have been requests from member agencies to modify projects in the programs. The proposed amendments to the FY 2008-2012 TIP for highway projects are listed in Table A, and proposed administrative modifications to the ALCP are listed in Table B. As per the Draft MAG Federal Fund Programming Principles, a request to change a programmed Federal Fund Project in the TIP will go through the MAG committee processes beginning at the appropriate technical advisory committee. There is one CMAQ-funded project requesting a project change. The project change request for PHX12-859 (Table A) was heard and unanimously recommended for approval at the October 21, 2008 Pedestrian Working Group and the Regional Bicycle Task Force meeting. Projects DOT08-812 and DOT08-813 are projects that the MAG Regional Council approved in December 2006 to be funded from the Statewide Transportation Acceleration Needs (STAN) account. The increase of funds per each project can be made without causing a fiscal impact to the MAG Freeway Program since another STAN project (SR101L: HOV Lanes from Tatum Blvd. to Princess Dr.) was bid at \$12.2 million less than the original budget. This change was approved by the Regional Council on December 3, 2008. These project changes are included in this agenda item because they need to be reflected in the FY 2008-2012 MAG TIP. There are six Arizona Department of Transportation (ADOT) projects in Table A (as annotated) that require Regional Council approval of a Material Cost Change to the ADOT Program. According to A.R.S. 28-6353, it is required that MAG approve any change in priorities, new projects, or requests for changes that would materially increase Freeway Program costs. According to the MAG Material Cost Change policy, a material cost change is defined as: 'An increase in the cost of a project that is more than five (5) percent of the adopted project budget, but not less than \$500,000 or any increase greater

than \$2.5 million. At the December 2008 Transportation Review Committee (TRC) meeting, the TRC unanimously recommended approval of the changes to projects listed in attached Tables A & B. In addition to the projects approved at TRC, two project change requests have been received following the mailout of the MAG Management Committee agenda on January 6, 2009. The ITS Committee met on January 7, 2009 and unanimously recommended approval to change PHX07-317 project scope, and on January 12, 2009, ADOT requested to change project DOT09-823 funding type from local to STP-AZ. These projects are found in Table C. All of the projects to be amended may be categorized as exempt from conformity determinations and an administrative modification does not require a conformity determination.

7. Proposal to Advance a Portion of the Williams Gateway Freeway

This agenda item was taken out of order.

Mr. Anderson reported on the Mesa request to advance a portion of the planned Williams Gateway Freeway. Mr. Anderson stated that Mesa would like to advance the first mile of Williams Gateway Freeway from the Hawes Road connection at the Santan Freeway to Ellsworth Road with all of the ramp connections at the Santan Freeway. He added that the freeway will eventually extend into Pinal County.

Mr. Anderson stated that the environmental assessment and design concept report are underway and ADOT anticipates it will be complete by the end of 2009 or early 2010, then the detailed design and right of way can move forward and construction can begin about three years earlier. He stated that this project is important not only to Mesa and to the southeast Valley, but also would open better connections to the Phoenix-Mesa Gateway Airport.

Mr. Anderson stated that one advantage of this proposal is that all of the right of way could be acquired sooner. He explained that as part of the STAN funding made available to the MAG region in 2006, the Regional Council allocated \$20.4 million to this corridor for right of way acquisition, and added that these funds were not sufficient to cover all of the right of way acquisition, anyway.

Mr. Anderson stated that the financing mechanism Mesa is anticipating using is Highway Project Advancement Notes (HPAN). He explained that eventual repayment is from the program revenue, but Mesa will be responsible for the debt and has to pledge its excise tax revenue to support the financing. Mr. Anderson noted that the one-page summary provided in the agenda packet provided basic information on the proposal.

Mr. Anderson stated that Mesa is proposing a fifty/fifty split on interest expense between the city and the program, which is in accordance with the MAG Freeway Acceleration Policy adopted in February 2008. He stated that Mesa is proposing the \$20.4 million in STAN funds allocated for right of way acquisition be used for the accrued interest on the financing. Mr. Anderson explained that the financing is split into two parts. The first would be for design and right of way acquisition,

and once those activities are completed and the project is ready to move into the construction phase, Mesa would issue the remaining part of the debt.

Mr. Anderson stated that he has been asked how MAG can be entertaining acceleration proposals given the \$5 billion shortfall in the freeway program. He said that the economy will rebound and he feels that the acceleration of any highway project would be beneficial to the program and the motoring public.

Mr. Anderson stated that Mesa understands that in accordance with the MAG Freeway Acceleration Policy, if a project is delayed due to higher costs or lower revenue, Mesa would be responsible for additional financing costs. He explained that if the current program calls for construction in 2016 and the project is delayed to 2017 or 2018, the repayment to Mesa will also be delayed and Mesa would pick up 100 percent of additional interest expense.

Chair Berman asked members if they had questions for Mr. Anderson.

Mr. Berry said that for his question, he was using this project just as an example; he did not oppose the proposal. He referenced earlier discussion by the TPC on scope creep and project cost increases due to interchanges being added. Mr. Berry asked if this was occurring on this project. Mr. Anderson replied that this particular interchange at Hawes Road and Loop 202 is a simplified system interchange compared to other interchanges in the plan because there is no need for local access. He said that local access requires additional ramps and structures and due to the airport and a direct link to Ellsworth Road, he did not anticipate that occurring. Mr. Anderson added that it is a "T" system interchange and ends there, which simplifies the design.

Mr. Berry stated that it might be helpful in the future to show the cost estimates in Proposition 400 and the current cost estimates. He asked Mr. Anderson the original cost estimate and the current cost estimate. Mr. Anderson replied that the cost estimate is tracking close to the original cost estimate. He said MAG is working with ADOT to what this design might look like to minimize the cost and added that they do not want to build something that would need to be removed at full freeway construction. Mr. Anderson stated that this interchange is highly simplified in terms of ramp and ramp connections to Ellsworth Road. He added that the cost is not for the ultimate construction when the full freeway is built.

Mr. Kane expressed his support for Mesa's proposal and added that was also looking to balance the budget. He asked if this acceleration would affect any other MAG or STAN project. Mr. Anderson replied that any impact would be minimal and said that MAG staff had discussions with Mesa about project delay. He said that Mesa feels this first mile is important for access to the airport. Mr. Anderson stated that until there is funding it might not be reasonable to build that section to Pinal County because there has to be a terminus. He said that Ellsworth could probably serve travel demand for a long time and noted that the connection in Pinal County is key for the remaining portion in Maricopa County.

Mr. Kane asked the impact to the I-10 project. Mr. Anderson that it had no impact. He added that one other aspect to mention is that the \$20.4 million is in an account at the State, and with the state budget issues, there are concerns this money could be swept. Mr. Anderson explained that last year the Regional Council took action to move funds realized from cost savings on the Loop 101 HOV lane project to the Loop 303 project in order to obligate the funds. Mr. Kane commented on establishing a priority of projects and the potential that the funds could be swept.

Mayor Hallman stated that he wanted to clarify that everyone understood that with the new acceleration program if a project does not move forward within the time scheduled the city that requested the acceleration would be on the hook for all financing costs. He said that this is important because current activities at the State might put this program in a position where there is not sufficient funding. Mayor Hallman stated that MAG needs to have a clearer understanding so as not to undergo what happened with the I-10 widening, when it was east versus west, and all of the hard feelings that resulted. He expressed that he was concerned, not about this particular project, but with the \$5 billion shortfall and how that will impact projects. Mayor Hallman stated that there is a need to get together and prioritize which projects will be moving forward. He said that this project is an example of spending a little money to accomplish something valuable to the broader community. Mayor Hallman stated that the Phoenix-Mesa Gateway Airport will take off in a significant way; it will cut down on commuter time to the airport, provide an alternative to Sky Harbor Airport, and help the far East Valley develop a commercial industrial base that will allow people to live in the East Valley and not have to commute to downtown Phoenix or Tempe for jobs. Mayor Hallman expressed that given the shortage of funds, these types of advancements provide the most benefit for the cost and he encouraged efforts like this.

Mr. Anderson added that there are "go" and "no go" points in this process. He said that as the design and right of way are complete, Mesa could decide not to move forward with the construction. Mr. Anderson stated that if the construction is moved, for example, to 2025, depending on the reprogramming process, Mesa could decide it could not afford ten years of acceleration costs. He noted that the right of way acquisition and project design work would be shelf ready, however, and it would not cause a problem if Mesa decided not to move forward.

Mayor Meck commented on references to East Valley or West Valley and he preferred regional references.

Mayor Hallman said that his point was that this was an example of how cities could move forward together and that the new acceleration policy helps overcome that subregional dispute, which is one of the elements he found most difficult. He added that he thought this was one of the areas MAG needed to work on. Mayor Hallman expressed his agreement with Mayor Meck that elected officials need to work together more cooperatively because it no longer matters if Tempe can compete against Scottsdale, or Phoenix, or Glendale; all of the cities should be working together to compete against Central Asia and other powerhouse economies. Mayor Hallman stated that he would like to make a motion to move this project forward.

Chair Berman stated that before a motion, there were other members would like to comment.

Councilmember Aames asked if there were other projects that could utilize STAN funds and what is the amount remaining, other than this project. Mr. Anderson replied that there are two projects that have not obligated because both are still in the final design phase: I-10, Sarival Road to Verrado Way, and I-17, Carefree Highway to Anthem. He cautioned that the funds for both of the projects could be swept, unless they could be obligated today by signing the construction contracts. Mr. Anderson noted that these two projects would be eligible for potential economic stimulus funds because they are designed to federal standards. Councilmember Aames asked if MAG was looking at utilizing those funds. Mr. Anderson replied that was correct.

Vice Chair Lopez Rogers referenced the November 2006 minutes, when the TPC took action to recommend projects for STAN funding. She expressed that she shared Mr. Kane's concern for the money being swept.

Vice Chair Lopez Rogers moved to recommend approval of the Mesa request to advance the design, right of way and construction of an interim connection of the Williams Gateway Freeway utilizing STAN funds allocated to Williams Gateway Freeway, as noted in the report, subject to the condition that the funding and schedule for any remaining MAG STAN project continue unaffected by the acceleration. If the funding and/or schedule for any remaining MAG STAN project is affected by the acceleration, or any other reason, such affected project's funding schedule shall be maintained by any means necessary, including, but not limited to, the use of economic recovery funds. Mayor Meck seconded.

Chair Berman called for discussion of the motion.

Mayor Smith asked for clarification if the motion was consistent with the report presented on impacts to other accelerations and to this project. Mr. Anderson replied that he had no issue with the proposed motion, but added that there were aspects of the requested motion that needed to be incorporated into the motion, such as to incorporate the project into the draft FY 2010 to FY 2014 MAG Transportation Improvement Program and the Regional Transportation Plan for a conformity analysis, recommend that the request for the change in the use of the STAN funds be forwarded to the State Transportation Board for consideration, and recommend authorizing the MAG Executive Director to enter into an agreement with ADOT and Mesa.

Vice Chair Lopez Rogers, as maker of the motion, agreed with amending the motion. Mayor Meck, as second, agreed to the amended motion.

The vote passed unanimously on the motion, as amended, to recommend approval of the Mesa request to advance the design, right of way and construction of an interim connection of the Williams Gateway Freeway utilizing STAN funds allocated to Williams Gateway Freeway, as noted in the report, subject to the condition that the funding and schedule for any remaining MAG STAN project continue unaffected by the acceleration. If the funding and/or schedule for any remaining MAG STAN project is affected by the acceleration, or any other reason, such affected project's funding schedule shall be maintained by any means necessary, including, but not limited to, the use of economic recovery funds. Also to incorporate the project into the draft FY 2010 to

FY 2014 MAG Transportation Improvement Program and the Regional Transportation Plan for a conformity analysis and that the STAN funds allocated to the Williams Gateway Freeway for right of way acquisition be used instead to pay for the interest expense associated with the proposed acceleration, recommend that the request for the change in the use of the STAN funds be forwarded to the State Transportation Board for consideration, and recommend authorizing the MAG Executive Director to enter into an agreement with ADOT and Mesa.

5. Transportation Planning Update

Mr. Anderson stated that he and Bob Hazlett, MAG Senior Engineer, would present an update of the financial status of the MAG Freeway Program, introduce the peer review process that is currently underway to look at the planned freeway projects in the central area, and provide a summary of the specific corridors and project components that could be changed or delayed, and a revised schedule for the freeway program update process.

Mr. Anderson stated that the December 2008 Proposition 400 sales tax revenues were down 14.8 percent from December 2007 and have been down 14 of the last 15 months. He said that he thought the next area to decline would be commercial real estate values, which could affect cities' property tax bases.

Mr. Anderson noted that taxable sales of motor vehicles in Maricopa County, which peaked in early 2006 at almost \$900 million per month, have declined about 60 percent, to approximately \$400 million. He said that this does not include December 2008 business activity, which he heard was the worst on record. Mr. Anderson stated that sales tax revenue for the first six months of this fiscal year was down almost 11 percent compared to the first six months of last year, and added that revenue was down 3.2 percent for the last fiscal year ending June 2008. He commented that this was the first time the sales tax had decreased since at least 1960, the first year for which there are records.

Mr. Anderson stated that the ADOT projections for this year are a flat revenue of \$380 million, and said that one third of the decrease is taken from the transit program, 56 percent is taken from the freeway program, and the rest is taken from the arterial streets program. He noted concern this will affect the projections because there is now a lower base.

Mr. Anderson stated that the lower revenue projections from ADOT indicate sales tax revenues for the 2006 to 2025 Proposition 400 freeway program were down approximately \$655 million and the ADOT federal and state highway funds were down almost \$1 billion. Mr. Anderson stated that ADOT is looking at the financing assumptions, and there are still fairly high interest rates on bonding. He advised that one problem is the continuing turmoil in the financial markets, but he hopes to soon have revenue and financing assumptions better defined. Mr. Anderson stated that there has been a lot of speculation as to when we will emerge from this economic situation and he felt that 2009 was optimistic. He added that at a meeting that morning, an owner of a major real estate firm expressed that he thought recovery will take five years.



Mr. Berry asked the original value of Proposition 400. Mr. Anderson replied that the program totaled \$9 billion in 2002 dollars, which would be \$12 billion in inflated dollars. Mr. Berry said if the program started with \$12 billion and if the forecast is correct and nothing changes, it was now a \$7 billion program.

Mr. Beard commented that it was actually a combination, because this includes cost increases and reductions in revenue.

Mr. Anderson said that the numbers were included in the RTP and he would forward that information to the Committee.

Mr. Berry commented that on the order of magnitude, we are looking at an approximate 40 percent reduction in the program.

Mr. Hazlett continued the presentation by updating members on recent and current activities. He said the peer review panel of national experts, a joint effort of MAG and ADOT, started as a result of the RTP and design concept report recommendations for freeways leading to the inner loop. Mr. Hazlett stated that the panel consists of three recognized national experts. John Conrad, from CH2M Hill, who was previously the Washington Department of Transportation Chief Engineer; Mike Falini, of Wilson and Company, the inventor of the single point urban interchange, such as the one at 7th Avenue and the Papago Freeway. Mr. Falini also had previously worked with the Florida Department of Transportation, the Colorado Department of Transportation, and the Utah Department of Transportation. Also on the panel is Jack Lettiere, of Lettiere Consulting, former commissioner with the New Jersey Department of Transportation and former chair of the Board of Directors for New Jersey Transit. Mr. Hazlett stated that their expertise provides a fresh perspective on recommendations.

Mr. Hazlett stated that the panel is still refining their findings, but shared their initial findings. He said that the MAG system is building for congestion rather than building for performance. Mr. Hazlett indicated that some of the level of service targets that ADOT likes to see on freeways may be unattainable, which is common for a lot of areas. Mr. Hazlett said that the I-10 tunnel was thought to be a major pinch point on the system, but the review panel considers the constraint is at the I-10/I-17 Stack Interchange, and noted that it would be a very expensive proposition to rebuild the Stack.

Mr. Anderson commented that ADOT engineers recommend adding two general purpose lanes to I-10/Papago Freeway between Loop 101 and I-17, but if the additional traffic cannot move through the Stack, mobility is not being aided. He said that if you are adding capacity in one area, you need to look both upstream and downstream to make sure you can do something with that additional traffic volume.

Mr. Hazlett stated that the panel also discussed the I-10/Broadway Curve, which East Valley and the West Valley traffic converging in this particular area. He said that more information is expected from the panel in the next couple of weeks and a final report some time in March.

Mr. Hazlett stated that MAG, ADOT and the Management Consultants have started a series of corridor reviews, and said that the first session was a review of the South Mountain Freeway and SR-801, with two other sessions for Loop 303, the Papago Freeway, I-17, and local and express lanes on the Maricopa Freeway planned for February.

Mr. Hazlett stated that they looked at the possibility that the South Mountain and SR-801 could be built as an alternate facility, such as an Arizona Parkway. He displayed a comparison of arterials, the parkway concept, and freeways, and noted that the parkway falls somewhere in the middle in measure of effectiveness (annual volume divided by cost per mile). Mr. Hazlett stated that they looked at the crash rates for each in Maricopa County, except for the parkway where the Michigan number was used.

Mayor Hallman asked if Michigan rates could be applied for freeways and arterials also, in order to compare apples to apples. Mr. Hazlett replied that staff could provide that information, and noted that the Michigan freeway crash rate is comparable to the Arizona rate, but the majority of their arterial facilities are constructed in the parkway manner, not in the arterial manner traditional across the Valley with traditional left turns. Mr. Hazlett explained how the indirect left turn works and he noted that the crash rate for intersections is lower because there are fewer conflict points than with conventional arterial intersections.

Mr. Hazlett stated that current plans for the Loop 202/South Mountain Freeway and SR-801 include constructing a six-lane freeway and clearing the environmental impact statement and obtaining right of way for an ultimate ten lanes. He then reviewed some options for the two freeways that could include continuing with the current plans contained in the RTP; construction as a six-lane freeway only with provision for HOV lanes in median; building a "SR-51 Option" ; construction as an Arizona Parkway in freeway right of way; construction as an Arizona Parkways in parkway right of way; or no build at all.

Mr. Hazlett addressed the pros if an Arizona Parkway with parkway right of way was built in the South Mountain corridor. He said that with almost \$1 billion needed for freeway right of way, the savings in right of way costs could be substantial. Mr. Hazlett noted that there also would be fewer business and residence relocations and a smaller impact on South Mountain Park.

Mr. Hazlett stated that cons of building the corridor as an Arizona Parkway could include the loss of an opportunity to be able to ultimately build a freeway and the need for additional system improvements to make up for lower capacity.

Mr. Anderson noted that they are having the consultant look at possible dollar impacts, especially on the right of way, and noted that the South Mountain cost is estimated at \$2.5 billion, of which \$1.1 billion is right of way, and the significant costs of taking businesses and houses in the corridor.

Vice Chair Lopez Rogers asked if commuter rail or transit was considered as part of the capacity. Mr. Anderson replied that they were, and added that one observation by the peer review panel was

that the region needs to do a better job in high capacity transit, as well as better utilization of the arterial street system. He stated that a way to move more traffic on arterial streets would provide alternative routes for motorists.

Mr. Kane stated that there is a current pending process under NEPA for the South Mountain Environmental Impact Statement, and he asked if any of these alternatives were among the alternatives studied in that process. Mr. Anderson replied that they were not. He said that one issue they will be discussing with ADOT and FHWA is the implications of any of these options on the environmental impact statement process. Mr. Anderson indicated that they have had preliminary discussions but have received no answer yet. He stated that they have a meeting next week with FHWA to pursue this. Mr. Anderson stated the Environmental Impact Statement has been in process since 2001 and they are sensitive on the schedule of the environmental documents and do not want to cause any negative impacts. Mr. Anderson indicated that it would be a stretch to build the freeway as it is thought of today, and it is incumbent upon MAG to look at some options.

Mr. Hazlett addressed the issue of performance versus building to reduce congestion, which is different from what has been looked at in the past. He said that ADOT looks at level of service D, but with the budget shortfalls, attaining that level of service might be too expensive, and the question becomes should we be looking at moving people and goods rather than vehicles.

Councilmember Aames stated that he was involved in planning in Los Angeles, where they kept widening the freeways. He said that there seems to be a shift in focus from adding lanes to improving interchanges. Mr. Anderson said that he thought we have to start integrating from a system planning perspective. He stated that capacity on transit and arterial streets need to be looked at again. Mr. Anderson noted that some cities realized that intersection improvements could provide performance levels. He stated that fixing the choke points, not creating more, helps achieve a cost effective program. Councilmember Aames asked if ADOT was thinking along the same lines. Mr. Anderson replied that MAG is working closely with ADOT on this. Mr. Hazlett added that the resultant parkway cross-section in Michigan, upon which the Arizona Parkway is based, came from addressing choke points in the Detroit metropolitan area.

Mr. Hazlett stated that decisions are interrelated, for example, what happens on the South Mountain corridor affects SR-801, the I-10/Papago Freeway, I-10/Maricopa Freeway, and surface streets. He commented that it will take effort to figure out the implications of the changes and future direction.

Mr. Hazlett explained the three program scenarios that the TPC could consider. He said that the Trend Line scenario elongates the program; the Maintain the Budget scenario means that projects would be built only with the funds available; and the Blend scenario is a combination approach.

Mr. Hazlett then illustrated what each scenario means in terms of the RTP. He said that the Trend Line scenario would mean expanding the program delivery horizon from 2025 to 2035 or later. Some ideas to provide that scenario include having a new revenue source to meet the program shortfall, looking at the RTP improvements leading to and in the Inner Loop, identifying cost

savings through reducing new corridor footprints, reevaluating the system traffic interchange designs at I-10 at SR-303L and US-60 at SR-303, and incorporating performance versus level of service in delivery options.

Mr. Hazlett stated that the Maintain the Budget scenario would keep the delivery horizon of the program at 2025. Some of the ideas to accomplish that include removing the SR-801 corridor and Interstate 17 improvements between I-10 and SR-101, limiting improvements to the I-10/Maricopa corridor to the SR-143 traffic interchange, constructing the South Mountain corridor as a parkway, and identifying further cost savings.

Mr. Hazlett stated that the Blend scenario maintains the delivery horizon of the program at 2025. He brought forward some ideas that could accomplish this, such as constructing the South Mountain and SR-801 corridors as parkways, considering privatization options on I-17 and I-10/Maricopa corridors, delaying the construction of additional general purpose lanes along Red Mountain, Santan, and Papago Freeways, identifying cost savings, and delivering projects consistent with the revenue stream. Mr. Hazlett noted that the largest imbalance in the Plan will occur in the next phase, Phase II, 2010 to 2015.

Mr. Anderson stated that a number of challenges lie ahead and staff needs guidance and ideas from the TPC. He commented that some decisions will have permanent implications, such as building a facility as a parkway instead of a freeway, because the opportunity to go back and build the parkway into a full freeway is probably nil. Mr. Anderson stated that the reality is there is only a certain amount of money. He said that there could be more funding in the future, such as economic stimulus funds, but they will not be a fix-all for this program or come close to closing the gap.

Mr. Anderson stated that originally, a timeline of March or April 2009 was provided to the TPC to complete work on balancing the freeway program, however, to ensure that the right decisions are made, conclusion of the process is anticipated for Fall 2009.

Councilmember Aames commented on performance versus congestion. He said that the focus could perhaps be on a better build of interchanges and less on lanes, which could save money and increase performance.

Vice Chair Lopez Rogers expressed that she would appreciate a focus on people and the continuation of multimodalism as the theme.

Mr. Kane stated that inherent in the performance discussion is that no two municipalities have the same level of service objective and the same road classifications. He said that this is an opportunity for more regional thinking and cooperation among cities. Mr. Kane stated that setting the level of service expectation to higher amounts of throughput and less than average stop delay, there is inherently less support for freeway, BRT, and HOV lanes that go around the congestions during peak times. Mr. Kane stated that his company had experience in California with a more performance-based approach and he thought this was the right direction to encourage the maximum use of HOV lanes, etc., and lay the foundation for how people travel. He said that he thought no

option, such as tolling, should be eliminated, and added that there might be a different attitude if they had to do with the time of travel when people could buy passes to use alternatives and then use the revenue to create HOV lanes and HOV connections, which are very expensive. Mr. Kane strongly advocated not taking any options off the alternatives list and he thought the options were a thoughtful array.

Mayor Cavanaugh stated that he thought measuring the standard for arterial streets, freeways and parkways was determined by dividing the volume by cost, and said that he thought the measurement of the time required to get from point A to point B also needed to be included. Mayor Cavanaugh expressed his support for looking at all alternatives, and for the South Mountain corridor, he was leaning toward a parkway concept. He stated that the political and environmental issues are so substantial that if MAG proceeded with the facility as a freeway, he felt it would be tied up in court for years. Mayor Cavanaugh stated that an option is needed for offloading and moving people efficiently on I-10, and that corridor is the South Mountain, but he was not so sure it needed to be a freeway. He also mentioned that he had not heard public/private partnerships mentioned, and they need to be seriously considered in terms of right of way and tolling of new roads. Mayor Cavanaugh referenced Mr. Berry's earlier question on the program cost, and said that he recalled it was a \$16 billion program, and asked for clarification on the \$5 billion deficit. Mr. Anderson replied that the \$5 billion is off the 56 percent of Proposition 400 that goes toward the freeway program. Mr. Anderson stated that a new forecast from ADOT is expected, and the revenue may deteriorate from what was presented today. He added that the revenue forecast impacts transit, freeways, and arterial streets, and RPTA will be undergoing a similar exercise as MAG with the Transit Life Cycle Program..

Mayor Cavanaugh stated that he wants a facility for the South Mountain corridor and if the Gila River Indian Community agreed to a process to take the facility through their land, his opinion might change.

Mayor Smith stated that the City of Mesa's move toward performance changed how they approached their entire program. He commented that money issues cause us to focus a bit more. Mr. Anderson replied that they are looking at it from a performance standpoint now, and financing issues are the reasons the paradigm shifted over the past few months. Mr. Anderson commented that irrespective of the money, MAG still has a responsibility to the citizens to make the right decisions. He stated that the I-10 widening between Loop 101 and I-17 is a good example of building congestion into the system instead of taking it out. Mr. Anderson said that the question is why add general purpose lanes if there is no plan to move that traffic farther upstream or downstream. This causes us to start looking at improving bottlenecks; there are plans to improve the Loop 202 interchange in the East Valley, without the expense of adding general purpose lanes.

Mayor Smith said that even if performance is determined as a better way to do things because of money problems, he hoped as discussion is continued we look at performance as an option, which could change the original thoughts rather than saying we are out of money and then pursue performance to balance the program. Mayor Smith stated that he also saw a scarcity. You are forced to a buy in and he saw going to performance as a much tougher buy in. He expressed that

even if a parkway is a better way there is also the political reality that people think it will be a freeway, and somehow that needs to be used more as a guide to get to the money issue than the money forcing the performance issue.

Mr. Anderson sometimes scarcity results in creativity. He expressed his agreement with the perception that everyone wants free-flowing freeways and we are not going to have those because it is not cost effective to provide capacity and have traffic free-flowing during commute times.

Mr. Berry expressed that he thought that working smart was right on target and he supported it. He encouraged looking for other common sense solutions, such as keeping interstate traffic out of the metro Phoenix area by promoting the use of the SR-85 bypass to I-8. He said that he thought a lot more could be done to promote its usage. Mr. Berry commented that spending a little money could result in a great impact and also lessen the air quality problems. Mr. Berry stated that the economic downturn will pass but we need to act responsibly. He wondered if switching to pay as you go for a couple of years and backing off from bonding should be considered, because bonding has an inherent unfairness; it creates a project for which payment is uncertain, and impacts other jurisdictions. Mr. Berry also added that when Proposition 400 was put together there was a great concern for geographic equity, etc.

Councilwoman Baier stated that Phoenix is internally unresolved on the parkway versus freeway issue so she would not be stating a preference on that. She said that the council district where the South Mountain corridor lies will change to a new councilmember and at least 12 people are seeking that position. Councilmember Baier indicated that she has heard as many opinions on the corridor, including the going back to the Gila River Indian Community. She stated that if MAG opts for a parkway, they would buy right of way that would prohibit anything beyond a parkway in the future. Councilmember Baier stated that one thing that is interesting is needs projections and another thing is whether the cost of right of way acquisition earlier versus road construction costs provides any benefit from buying when you build. Councilwoman Baier stated that Mr. Kane's comments on the environmental impact statement is an important point.

Mr. Beard stated that the TPC should not spend time on the Trend Line scenario because we should not be planning today assuming there will be another \$4 billion. He suggested focusing on the Blend scenario, because we are talking about what we can do between now and 2025 with the budget available, which is not necessarily what the budget is today, but what it might be. Basically, the TPC is dealing with the time and money now available, but he thought it is also prudent to look at other funding options, which maybe leads into the Blend scenario. Mr. Beard stated that the TPC also has to try to preserve future options; how much will be a tough choice.

Mr. Smith stated that there is a need for the transportation study to examine the options in the Central Phoenix area and for the new sophisticated modeling tool to accomplish the study. He stated that these two projects are included in the FY 2010 MAG Work Program that would not be in effect until July 1. He stated that due to the urgency, it might be advantageous to accelerate these two items.

Councilmember Aames referenced Vice Chair Lopez Rogers' comments on transit. He suggested coordinating with RPTA an overlay on transit, high speed light rail and how that would move traffic, rather than doing them separately.

Mr. Anderson stated that three or four technical studies were done in preparation for Proposition 400, and now that work is being updated. In addition, a transit framework study is underway and all of this work is now coming together. Mr. Anderson commented that we will have good information to put together a good revision to the RTP.

Councilmember Aames commented on adding another choke point on I-10 with the South Mountain, rather than linking it at Loop 101.

Mayor Cavanaugh expressed his support for Mr. Smith's comments. He said that if the decision matrix can be accelerated, that needs to be done and move forward.

6. Status Report on the Performance Measurement Framework and Congestion Management Update Study

Monique de los Rios-Urban, MAG Performance Program Manager, provided a report on the Performance Measurement Framework and Congestion Management Update Study, which will be used to develop a regional transportation measuring and monitoring framework in preparation for the State mandated 2010 Performance Audit as well as to update the Congestion Management Process in compliance with recently adopted SAFETEA-LU federal requirements.

Ms. de los Rios-Urban reported that MAG initiated a Performance Measurement Program in May 2006, and has been reporting on preliminary measures in the updates to the Regional Transportation Plan (RTP) and the MAG Annual Report on Proposition 400. She stated that the Performance Measurement Framework and Congestion Management Update Study was begun in May 2008.

Ms. de los Rios-Urban reported that performance is currently reported at the system level in map and table formats. She noted that the performance maps show congestion by location and duration, and the tables show the measures in three categories, supply measures (such as number of freeway miles or arterial intersections), demand measures (such as vehicle miles of travel), and level of service measures (number of congested miles, intersections, or hours of delay).

Ms. de los Rios-Urban stated that the MAG Travel Demand Model was used to create three scenarios: a base year, a plan year, and a no build scenario, and with this format, the differences between performance results as they relate to congestion can be analyzed. She noted that the existing program is based mostly on simulated data and for the framework study they are concentrating on using observed data.

Ms. de los Rios-Urban stated that the study has three main objectives: to develop a performance measurement framework to evaluate regional strategies at the system and corridor level; to update

congestion management strategies and relate them to performance measures; and to comply with legislative mandates at the state and federal levels. She advised that they are using this study to prepare for the 2010 performance audit as required by Proposition 400 legislation. Ms. de los Rios-Urban stated that a Technical Advisory Group was initiated to receive input and feedback from the member agencies as the study develops.

Ms. de los Rios-Urban stated that the study is divided into three phases. In Phase I, they looked at case studies, conducted literature review and reported on best practices. She noted that this phase is complete and the documents are posted on the MAG Web site.

Ms. de los Rios-Urban stated that Phase II is currently underway, and includes the development of the performance measures framework, preparing the assessment of data sources, and the development of visualization tools to communicate the performance measures.

Ms. de los Rios-Urban stated that the upcoming Phase III of the study includes updating the congestion management process and integrating a set of performance measures. She commented that one of the most important characteristics of study is that the measures in the framework are based on goals and objectives in the RTP.

Ms. de los Rios-Urban stated that this study is important because we need a performance measurement system that delivers results based on documented facts, provides feedback and relates strategies to goals, will allow tracking progress, and most importantly, it will improve transportation service to the public.

Ms. de los Rios-Urban then explained how the framework is displayed as a matrix that will enable them to identify the intervals for collecting data. She said that the format is flexible and allows them to see the entire picture as well as add measures to the framework as data and resources become available.

Chair Berman thanked Ms. de los Rios-Urban for her report. No questions from the Committee were noted.

## 8. Legislative Update

Nathan Pryor, MAG Senior Policy Planner, provided an update on a stimulus package that Congress has been considering to boost the national economy. Mr. Pryor stated that MAG staff started compiling projects submittals from member agencies in late October 2008 in response to preparation for the House Committee on Transportation and Infrastructure hearing. He added that collecting projects from member agencies is ongoing.

Mr. Pryor stated that in December 2008, MAG staff met with members of the Arizona congressional delegation to inform them of the regional need and types of projects member agencies had submitted. He noted that throughout these discussions MAG staff encouraged a



relaxation of processes in order to be in a position to produce the largest possible number of projects and bring the most dollars possible to the regional economy.

Mr. Pryor stated that Senator Kyl highlighted the need to address the timing of projects in terms of readiness, and advised that MAG staff worked with member agencies to address the timeliness of projects. He noted that a table illustrating this was at each place. Mr. Pryor stated that MAG staff has continued to accept project submittal from member agencies and will update the project list and post it on the Web. He thanked the member agencies for their assistance in developing the project lists and for their patience in anticipation of pending federal legislation.

Mr. Pryor stated that reports indicate that a bill could emerge from Congress February 13, 2009, or February 16, 2009.

Mr. Pryor brought forth some planning concepts that he noted were subject to change. Mr. Pryor stated that staff has heard that the money will be distributed on a formula basis, rather than earmarked. He said that under the formula approach, Arizona could anticipate receiving \$600 million and the MAG region \$237 million for the surface transportation portion, and added that this is less than 7.3 percent of the project list that the MAG region compiled. Mr. Pryor stated that staff is still working on the non-transportation portion of the bill, such as water, wastewater, and drainage projects, and with RPTA and METRO on the transit portion.

Mr. Pryor stated that the bill, as amended on January 22nd, indicates that projects need to be ready in 160 days or less, and noted that it was 120 days in the first version of the bill. He noted that ADOT is bringing in five full-service consultants to assist on preparing projects in the state, and two of the consultant teams are dedicated to the MAG region. Mr. Pryor stated that they hope to have a better-defined legislation by the time of the MAG Transportation Review Committee meeting on January 29th.

Mr. Smith stated that MAG staff pressed for relief of regulations. He said that it looks like projects will be 100 percent funded with no match required, but other than that, the economic situation is not recognized as an emergency and MAG will not get relief on air quality conformity, public hearings, etc. He commented this will restrict how fast we can move.

Mr. Beard stated that if the stimulus funds cannot be spent within the designated timeframe the money will be moved to other places that can, so it is important that MAG projects meet the criteria for the commitment of funding. Mr. Beard stated that 50 percent of dollars need to be committed in 120 days to 160 days, depending on what is in the final bill. He noted that due to the fact that there is no waiver of environmental requirements, if a project is not in the Plan, it will be difficult to use stimulus funds for the project. Mr. Beard reported that the bill writers have indicated this will not be a problem, and requirements can be accomplished in 30 days. He stated that the transit projects are divided up differently, \$6 billion in formula dollars, other fixed guideway modernization and new starts money. Mr. Beard stated that the MAG region has no projects that will qualify for new starts money, because they are looking at projects ready to start construction. He commented that there is a lot of money out there, but \$30 billion will not meet the needs of this

region, or any other region. Mr. Beard stated that MAG will play a big role in prioritizing projects and how those funds will be spent. He said that the House is probably marking up the bill this week, and there will probably be something for the President to sign by mid-February, then the federal agencies will have a couple of weeks to apportion the money and the clock starts ticking in terms of committing funds, signing contracts, and moving projects forward.

Councilmember Aames asked if there was a build time limit. Mr. Anderson replied that it was three years.

Mr. Smith stated that the January 29th Transportation Review Committee meeting will be an important meeting for technical staff to attend. The tight timing could also mean emergency meetings of the Transportation Review Committee, Management Committee, Transportation Policy Committee, and Regional Council.

There being no further business, the meeting adjourned at 1:25 p.m.

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Chair

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Secretary